

MEMO

DATE: April 5, 2007

TO: Administration Committee

FROM: Richard Howard, Internal Auditor, (213) 236-1905, howard@scag.ca.gov

SUBJECT: Update on Best Practices

BACKGROUND:

In late 1999 the Regional Council commissioned a task force of outside experts and SCAG staff to review SCAG's internal systems and practices. In May of 2000 the task force issued its Best Practices report. The report focused on six administrative divisions:

- Contracts and Purchasing
- Accounting
- Budget and Grants
- Personnel
- Internal Communications
- Information Systems

Overall, the report enumerated 257 recommendations for improvements in these six divisions. The majority of those recommendations have been implemented. The major focus of the recommendations was to codify policies and procedures, upgrade information systems and professionalize some administrative practices. For example, the development of written Personnel Policies and a Contract Procurement Manual were part of the recommendations for Personnel and Contracts. These manuals have been issued. In Internal Communications, a monthly all-staff meeting and New Employee Orientation were recommendations that have been implemented. Almost the entire number of Information Systems recommendations have been addressed by the installation of the SAP financial management information system. In Accounting, all recommendations have either been implemented or mitigated by changes in the financing of projects. The comprehensive budget development process, that is in place now, addressed the recommendations for the Budget and Grants division.

Of the original 257 recommendations, only 15 have not been put into effect. Several of these remaining recommendations will not be adopted, either because they are no longer necessary or because their adoption would be in violation of current statutory requirements.

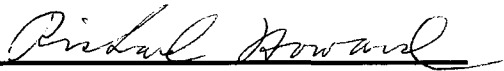
We have started a program to address the remaining recommendations and also evaluate the effectiveness of those already put into place. Concurrently, new recommendations or enhancements of the prior recommendations are being evaluated. At the June meeting of the Administration Committee, we plan to give you another update on our progress regarding Best Practices implementation and identify specific practices and procedures that we will be updating, replacing or adding.

MEMO

FISCAL IMPACT:

There is no fiscal impact.

Reviewed by:


Division Manager

Reviewed by:

Department Director

Reviewed by:


Chief Financial Officer